

Accom Inc.,

Chapter 11 Case No.: 05-32680 – DM

Exhibit A through C to

**DISCLOSURE STATEMENT FOR DEBTOR'S
CHAPTER 11 PLAN DATED SEPTEMBER 9, 2005**

EXHIBIT A

Accom, Inc.
Consolidated Financial Statements
December 31, 2004 and 2003

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Board of Directors
Accom, Inc.
Menlo Park, California

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INDEPENDENT AUDITORS' REPORT

We have audited the accompanying consolidated balance sheets of Accom, Inc. (the Company) as of December 31, 2004 and 2003 and the related consolidated statements of operations and comprehensive loss, stockholders' deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the Company's financial position as of December 31, 2004 and 2003 and the results of its operations and its cash flows for years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has had continuing operating losses, has a claim on cash generated from operations to service a bankruptcy workout for repayment of creditors, and has a deficit in stockholders' equity at December 31, 2004 and 2003. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding these matters are discussed in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

April 1, 2005

Accom, Inc.
Consolidated Balance Sheets

	December 31,	
	2004	2003
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 612,000	\$ 596,000
Restricted cash	28,000	79,000
Accounts receivable, net of allowance for doubtful accounts of \$85,000 (\$78,000 in 2003)	1,474,000	1,334,000
Inventories, net	1,240,000	2,045,000
Prepaid expenses and other current assets	485,000	707,000
Total current assets	3,839,000	4,761,000
Property and Equipment, net	722,000	699,000
Other Assets	430,000	797,000
	<u>\$ 4,991,000</u>	<u>\$ 6,257,000</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	\$ 60,000	\$ 40,000
Accrued expenses	319,000	253,000
Accrued warranty	72,000	128,000
Customer deposits	366,000	438,000
Other liabilities, current portion	220,000	220,000
Total current liabilities	1,037,000	1,079,000
Other Liabilities, net of current portion	6,855,000	7,079,000
Commitments (Notes 1, 3 and 7)		
Stockholders' Deficit		
Common stock, \$0.001 par value; 40,000,000 shares authorized; 9,983,000 shares issued and outstanding	23,763,000	23,758,000
Accumulated other comprehensive loss	(26,000)	(12,000)
Accumulated deficit	(26,638,000)	(25,647,000)
Total stockholders' deficit	(2,901,000)	(1,901,000)
	<u>\$ 4,991,000</u>	<u>\$ 6,257,000</u>

See Independent Auditors' Report and Notes to Consolidated Financial Statements

Accom, Inc.
Consolidated Statements of Operations and Comprehensive Loss

	Years Ended December 31,	
	2004	2003
CONSOLIDATED STATEMENTS OF OPERATIONS		
Revenue		
Product	\$ 9,144,000	\$ 9,462,000
Service	1,858,000	2,450,000
	<u>11,002,000</u>	<u>11,912,000</u>
Cost of Revenue		
Product	4,160,000	4,546,000
Service	382,000	490,000
	<u>4,542,000</u>	<u>5,036,000</u>
Gross profit	6,460,000	6,876,000
Operating Expenses (Note 7)		
Sales and marketing	3,160,000	3,440,000
Research and development	2,725,000	2,521,000
General and administrative	1,504,000	1,308,000
	<u>7,389,000</u>	<u>7,269,000</u>
Operating Loss	(929,000)	(393,000)
Interest and Other Expense, net	(60,000)	(13,000)
Loss before Income Tax Expense	(989,000)	(406,000)
Income Tax Expense	(2,000)	(2,000)
Net Loss	<u>\$ (991,000)</u>	<u>\$ (408,000)</u>
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS		
Net Loss	\$ (991,000)	\$ (408,000)
Comprehensive Expense		
Foreign currency translation	(14,000)	(3,000)
Comprehensive Loss	<u>\$ (1,005,000)</u>	<u>\$ (411,000)</u>

See Independent Auditors' Report and Notes to Consolidated Financial Statements

Accom, Inc.
Consolidated Statements of Stockholders' Deficit
Years Ended December 31, 2004 and 2003

	Common Stock		Accumulated Other Comprehensive Loss		Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount				
Balances, December 31, 2002	9,848,000	\$ 23,758,000	\$	(9,000)	\$ (25,239,000)	\$ (1,490,000)
Foreign currency translation adjustment	-	-		(3,000)	-	(3,000)
Net loss	-	-		-	(408,000)	(408,000)
Balances, December 31, 2003	9,848,000	23,758,000		(12,000)	(25,647,000)	(1,901,000)
Exercise of options	135,000	5,000				5,000
Foreign currency translation adjustment				(14,000)		(14,000)
Net loss					(991,000)	(991,000)
Balances, December 31, 2004	9,983,000	\$ 23,763,000	\$	(26,000)	\$ (26,638,000)	\$ (2,901,000)

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See Independent Auditors' Report and Notes to Consolidated Financial Statements

Accom, Inc.
Consolidated Statements of Cash Flows

	Years Ended December 31,	
	2004	2003
Cash Flows from Operating Activities		
Net loss	\$ (991,000)	\$ (408,000)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	181,000	171,000
Amortization of lease claim liability	372,000	372,000
Change in allowance for doubtful accounts	7,000	7,000
Loss on disposal of property and equipment	3,000	1,000
Changes in operating assets and liabilities:		
Accounts receivable	(147,000)	(131,000)
Inventories	805,000	865,000
Prepaid expenses and other current assets	222,000	10,000
Accounts payable	20,000	(3,818,000)
Accrued liabilities and customer deposits	(286,000)	3,793,000
Net cash provided by operating activities	186,000	862,000
Cash Flows from Investing Activities		
Restricted cash	51,000	(62,000)
Purchase of property and equipment	(147,000)	(163,000)
Other assets	(5,000)	(1,095,000)
Customer service inventories	(60,000)	(35,000)
Net cash used in investing activities	(161,000)	(1,355,000)
Cash Flows from Financing Activities		
Proceeds from issuance of common stock	5,000	-
Net cash provided by (used in) financing activities	5,000	-
Net Effect of Foreign Currency Translation Adjustment	(14,000)	(3,000)
Net Increase in Cash and Cash Equivalents	16,000	(496,000)
Cash and Cash Equivalents, beginning of year	596,000	1,092,000
Cash and Cash Equivalents, end of year	\$ 612,000	\$ 596,000

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Accom, Inc.
Consolidated Statements of Cash Flows (continued)

	Years Ended December 31, 2004	2003
Supplemental Disclosures of Cash Flow Information		
Cash paid for income taxes	\$ 2,000	\$ 2,000
Cash paid for interest	\$ -	\$ -
Supplemental Disclosure of Non-Cash Financing Activities		
Transfer of subordinated convertible notes into other liabilities in connection with the bankruptcy filing	\$ -	\$ 3,500,000

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies

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Nature of Business

Accom, Inc. (the Company) designs, manufactures, sells, and supports a diverse line of standard and high definition digital video signal processing, editing and disk recording products, primarily for the professional worldwide video production, postproduction and broadcast marketplaces.

On July 11, 2001, the Company filed Form 15 with the Securities and Exchange Commission, which terminated the Company's duty to file reports as a public company under the Exchange Act of 1934.

Management's Plans Regarding Recurring Losses

As of December 31, 2004, the Company had cash and cash equivalents of \$612,000 and an accumulated deficit of \$26,638,000 and has incurred a net loss of \$991,000 for the year ended December 31, 2004. Management recognizes the need to raise additional capital to fund the Company's operations or to become profitable from operations. There can be no assurance the Company will be profitable in the future or that adequate funding will be available on terms acceptable to the Company. These matters raise a substantial doubt about the Company's ability to continue as a going concern. In the event the Company is unable to generate sufficient cash flows from operations or to secure additional sources of capital, management will adjust the operating plan and delay or reduce the Company's expenditures and the scope of its operations to reduce the need for additional cash resources. If such efforts are not successful, the Company may need to significantly curtail or even cease operations. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from this uncertainty.

On December 10, 2002, the Company filed a voluntary petition for protection from its creditors under the provisions of Chapter 11 of the United States Bankruptcy Code (Plan). A prepackaged workout for repayment to creditors was filed and approved on January 24, 2003 (Effective Date) by the United States Bankruptcy Court. The workout requires the Company to pay the larger of \$55,000 or one-half of the ending cash balance over \$500,000 as of the end of each calendar quarter. Quarterly payments began during the quarter ended March 31, 2003. Substantially all of the Company's assets serve as collateral for its obligations to the creditors.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Management's Plans Regarding Recurring Losses (continued)

The holders of the Company's common stock immediately before the Effective Date of the Plan held more than 50% of the Company's voting shares immediately after the Effective Date of the Plan. Under the provisions of American Institute of Certified Public Accountants (AICPA) Statement of Position 90-7 (SOP 90-7), *Financial Reporting by Entities in Reorganization under the Bankruptcy Code*, the Company did not qualify for fresh-start reporting.

Significant Accounting Policies

Principles of Consolidation:

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The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Accom Europe Limited. All significant inter-company accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents:

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents consist primarily of money market and cash accounts.

Concentration of Credit and Other Risks:

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents at several financial institutions. These balances exceeded the \$100,000 Federal Deposit Insurance Corporation insurable limit at December 31, 2004 and 2003.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Concentration of Credit and Other Risks: (continued)

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The Company sells its product primarily in North America, Europe and the Pacific Rim. The Company performs ongoing credit evaluations of its customers and generally does not require collateral. The Company maintains allowances for potential credit losses and such losses have historically been within management's expectations. The Company records allowances for estimated losses resulting from the inability of its customers to make required payments. When the Company becomes aware that a specific customer is unable to meet its financial obligations, the Company records a specific allowance to reflect the level of credit risk in the customer's outstanding receivable balance. In addition, the Company records additional allowances based on certain percentages of its aged receivable balances. The Company records its bad debt expenses as general and administrative expenses.

The Company had three major customers in 2004. Revenues from these customers accounted for 35.0%, of net revenues in 2004 (10.7% from one customer in 2003). Accounts receivable from these customers accounted for 24.7% of total accounts receivable at December 31, 2004 (22.0% in 2003). Revenues relating to sales to countries outside the United States and Canada were 28% in 2004 (22% in 2003). Revenues from sales to Europe and the Pacific Rim region were 7% and 21%, respectively, in 2004 (7% and 14%, respectively, in 2003).

The Company purchases certain key components for its products from single source suppliers. Any significant component supply delay or interruption could require the Company to qualify new sources of supply, if available, and could have a material adverse effect on the Company's financial condition and results of operations. In the ordinary course of business, the Company may be required to purchase from such suppliers certain inventories in excess of normal operating requirements.

Currently, a significant amount of the Company's revenues from product sales are derived from sales to distributors. Loss, termination or ineffectiveness of distributors to effectively promote the Company's products could have a material adverse effect on the Company's financial condition and results of operations.

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1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

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Revenue Recognition:

Revenue is recognized when earned in accordance with SOP 97-2, *Software Revenue Recognition*, as amended, issued by the Accounting Standards Executive Committee of the AICPA. Revenue from the sale of software is recognized when the following criteria have been met: when persuasive evidence of an arrangement exists, delivery has occurred, the seller's price is fixed or determinable and collectibility is reasonably assured.

Revenues under multiple element arrangements, which typically include products and maintenance sold together, are allocated to each element using the residual method in accordance with SOP 98-9, *Modification of SOP 97-2, Software Revenue Recognition, with Respect to Certain Transactions*. The amounts allocated to maintenance are based on the price charged when the element is sold separately, typically as an optional maintenance period renewal. Revenue related to maintenance contracts is recognized ratably over the duration of the related contract, which is typically two years. Unearned maintenance contract revenue is included in accrued expenses.

Service revenues resulting from sales of extended hardware product warranty service contracts are deferred and recognized on a straight-line basis over the life of the related agreement, which is typically from one to two years. Unearned extended warranty service contract revenue is included in customer deposits.

Inventories:

Inventories are stated at the lower of cost (which approximates actual cost using the first-in, first-out method) or market. Market value is based on an estimated average selling price reduced by normal gross margins.

Property and Equipment:

Property and equipment are stated at cost and depreciated using the straight-line method over the estimated useful lives, generally three to five years. Leasehold improvements are recorded at cost and amortized using the straight-line method over the lesser of the estimated useful lives or the remaining lease term.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

Software Development Costs:

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Research and development costs include costs related to software products that are expensed as incurred until the technological feasibility of the product is established. After technological feasibility is established, any additional costs are capitalized in accordance with Statement of Financial Accounting Standards (SFAS) No. 86, *Accounting for the Costs of Computer Software to Be Sold, Leased or Otherwise Marketed* (SFAS 86). Based on the Company's product development process, technological feasibility is established upon completion of a working model. Costs incurred by the Company between the completion of the working model and the point at which the product is ready for general release have been insignificant. Therefore, through December 31, 2004 and 2003, the Company has charged all such costs to research and development expense in the period incurred.

Accounting for Impairment of Long-Lived Assets:

The Company assesses impairment of long-lived assets periodically, in accordance with SFAS No. 144, *Accounting for the Impairment of Long-Lived Assets* (SFAS 144). An impairment review is performed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less selling cost. The Company has not recorded any impairment in its long-lived assets as a result of this analysis.

Income Taxes:

Income taxes are accounted for under SFAS No. 109, *Accounting for Income Taxes* (SFAS 109). SFAS 109 provides an asset and liability approach to accounting for income taxes. Deferred income taxes reflect the expected effect on future income taxes of the temporary differences between the amounts at which assets and liabilities are recorded for financial reporting purposes and the amounts recorded for income tax purposes. Deferred income taxes are provided based on enacted tax rates applicable to the periods in which taxes become payable or tax benefits are expected to be realized. Deferred income taxes are classified as current or non-current, based on the classifications of related assets and liabilities giving rise to the temporary differences. A valuation allowance is provided against the Company's deferred income tax assets when their realization is not reasonably assured.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

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Foreign Currency Translation:

The Company translates the assets and liabilities of its foreign subsidiary stated in local functional currencies to U.S. dollars at the rates of exchange in effect at the end of the period. Revenues and expenses are translated using rates of exchange in effect during the period. Gains and losses from the translation of financial statements denominated in foreign currency, if material, are included as a separate component of other comprehensive income or loss in the Consolidated Statements of Stockholders' Deficit.

The Company records foreign currency transactions at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the exchange rates in effect at the balance sheet date. All translation differences arising from foreign currency transactions are recorded in the consolidated statements of operations and were not material in 2004 or 2003.

Comprehensive Loss:

Other comprehensive income or loss is defined as revenues, expenses, gains, and losses that under accounting principles generally accepted in the United States are included in comprehensive income or loss but are excluded from net income or loss, as these amounts are recorded directly as an adjustment to stockholders' deficit. Net income or loss and other comprehensive income or loss items are reported, net of their related tax effect, to arrive at comprehensive income or loss. The components of comprehensive income or loss include foreign currency translation gains or losses.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

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Stock-Based Compensation:

The Company accounts for stock-based awards to employees under the intrinsic value method in accordance with Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees* (APB 25), and related interpretations, and discloses the general and pro forma financial information required by SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123) and SFAS No. 148, *Accounting for Stock-Based Compensation-Transition and Disclosure* (SFAS 148).

The Company generally grants stock options to its employees for a fixed number of shares with an exercise price equal to the fair value of the shares on the date of grant. Compensation expense for options or warrants granted to non-employees has been determined in accordance with SFAS 123 as the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably determinable.

In December 2004, FASB issued SFAS 123 (Revised 2004), *Share-Based Payment* (SFAS 123R). This standard requires expensing of stock options and other share-based payments and supersedes SFAS No. 123, which had allowed companies to choose between expensing stock options and showing proforma disclosure only. This standard is effective for the Company as of January 1, 2006 and will apply to all awards granted, modified, cancelled or repurchased after that date as well as the unvested portion of prior awards. After the effective date, the Company will no longer be permitted to measure the fair value of awards assuming zero volatility for the Company's share price (minimum value method). Because of this significant change in measurement, the Company does not expect current disclosures to be indicative of future expenses related to share-based payments after the effective date.

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Accom, Inc.
Notes to Consolidated Financial Statements

1. Nature of Business, Management's Plans Regarding Recurring Losses and Significant Accounting Policies (continued)

Significant Accounting Policies (continued)

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Research and Development:

Research and development costs are charged to operations as incurred.

Advertising:

Advertising costs are expensed in the period incurred. Advertising costs were \$96,000 in 2004 (\$94,000 in 2003).

Support and Warranty:

The Company's products generally carry a warranty covering defect for one year from shipment date. While the Company engages in extensive product quality programs and processes, including actively monitoring and evaluating the quality of component suppliers, its warranty obligation is affected by product failure rates, material usage, and service delivery costs incurred in correcting a product failure. Should actual product failure rates, material usage or service delivery costs differ from the estimates, revisions to the estimated warranty accrual and related costs may be required. At December 31, 2004, warranty liability was \$72,000, (\$128,000 in 2003). The Company's warranty liability is classified as Accrued Warranty in the accompanying Consolidated Balance Sheets.

Use of Estimates:

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses in the consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

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Accom, Inc.
Notes to Consolidated Financial Statements

2. Balance Sheet Detail

Restricted Cash:

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Restricted cash of \$28,000 consists of funds reserved for payments to claims filed in the bankruptcy (\$79,000 at December 31, 2003).

Inventories:

Inventories, net of inventory reserves of \$1,085,000 at December 31, 2004 (\$2,143,000 in 2003), consist of the following at December 31:

	<u>2004</u>	<u>2003</u>
Purchased parts and materials	\$ 110,000	\$ 246,000
Work-in-process	361,000	549,000
Finished goods	187,000	217,000
Demonstration inventory	<u>582,000</u>	<u>1,033,000</u>
	<u>\$ 1,240,000</u>	<u>\$ 2,045,000</u>

Property and Equipment:

Property and equipment consists of the following at December 31:

	<u>2004</u>	<u>2003</u>
Machinery and equipment	\$ 3,253,000	\$ 3,164,000
Furniture and fixtures	323,000	323,000
Computer equipment	1,049,000	999,000
Service equipment, net of reserves	<u>438,000</u>	<u>376,000</u>
	5,063,000	4,862,000
Less: Accumulated depreciation	<u>4,341,000</u>	<u>4,163,000</u>
	<u>\$ 722,000</u>	<u>\$ 699,000</u>

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Accom, Inc.
Notes to Consolidated Financial Statements

3. Other Liabilities

Other liabilities at December 31, 2004 are characterized as pre-petition liabilities that are subject to payment terms described in Note 1. The pre-petition liabilities consist of subordinated convertible notes, past-due payables and related accrued interest.

Subordinated Convertible Notes:

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On March 12, 1999, the Company completed a private placement of \$3.5 million in senior subordinated convertible notes with a group of investors led by the American Bankers Insurance Group, Inc. (ABIG). The notes had a coupon rate of 8% per year, were to mature in 2004 and were convertible into shares of common stock at a price of \$1.00 per share. The Company recorded the transaction on its books net of expenses incurred in completing the transaction. The issuance costs were \$277,000. The Company amortized a portion of the issuance costs each month. In 2002, the amortization of issuance costs was \$124,000. The remaining unamortized debt issuance costs of \$67,000 at December 10, 2002, were expensed as reorganization items in accordance with SOP 90-7 upon the Company's filing for protection from its creditors under Chapter 11 of the United States Bankruptcy Code.

During 2003, in connection with the bankruptcy settlement (Note 1), the notes were terminated and principal and accrued interest of \$3,872,000 was converted into a pre-petition liability. The balance outstanding at December 31, 2004 is \$3,724,000.

Past-Due Payables:

On July 6, 2001, the Company signed an agreement with Credit Managers Association (CMA) Business Credit Services to provide services to facilitate an out-of-court workout for payables that were past due and unable to be paid as of June 28, 2001. CMA organized a credit committee made up of the Company's largest creditors to meet on a regular basis. The credit committee granted the Company a 90-day moratorium through October 6, 2001, during which time the creditors would cease all collection activity and claims against the Company.

As of December 31, 2004, total outstanding balance due under the pre-petition liability filed by creditors was \$7,075,000 (\$7,299,000 in 2003) including a settlement of an operating lease obligation discussed in Note 7.

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Accom, Inc.
Notes to Consolidated Financial Statements

4. Capital Stock

Common Stock:

The Company is authorized to issue 40,000,000 shares of \$0.001 par value common stock. At December 31, 2004, 9,983,000 shares were issued and outstanding, (9,848,000 in 2003).

Warrants:

In December 1998, in connection with a business combination, the Company issued warrants for 250,000 shares and 750,000 shares of the Company's common stock at \$1.00 and \$3.00 per share, respectively, exercisable through the earlier of December 10, 2009, or a consummation of a corporate transaction in which 50% or more of the Company's voting power will be sold.

In lieu of cash payment, the holder has an option to exchange its warrants (or any portion thereof) for shares of common stock equal to the value of the amount of the warrant being exchanged on the date of exchange (calculated based on the excess of the fair value of the share over the exercise price, divided by the fair value, and then multiplied by the applicable number of shares the warrant is exercisable into). If the Company's common stock were to trade for over 20 days at a price of 140% of the exercise price, the Company shall have the right to call the warrant for redemption at a price of \$0.01 per share then outstanding. As of December 31, 2004, these warrants were still outstanding.

Under the Company's stockholder rights plan, existing stockholders of the Company are entitled to certain rights (including the right to purchase shares of preferred stock) in the event of the acquisition of 15% or more of the Company's outstanding common stock or an unsolicited tender offer for such shares.

5. Stock Option Plan

The 1995 Stock Option/Stock Issuance Plan (1995 Plan) increased the number of shares available for grant to 2,000,000 shares, inclusive of options granted under the predecessor plan, plus automatic annual increases in 1996, 1997 and 1998. Under the 1995 Plan, options may be granted and shares may be issued at a price not less than 85% of the fair value of the Company's common stock on the date of grant (not less than 110% of the fair market value for stockholders owning greater than 10% of all classes of stock).

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Accom, Inc.
Notes to Consolidated Financial Statements

5. Stock Option Plan (continued)

During 1997, the Company adopted the 1997 Non-Executive Stock Option Plan (the 1997 Plan), under which options for up to 500,000 shares of common stock are available for grant to employees other than officers and directors at a price not less than 100% of the fair value of the Company's common stock on the date of grant.

The options granted under the 1997 and 1995 Plans generally vest over a four-year period and expire 10 years after the grant date.

The fair value of the employee options at the date of the grant were estimated using the minimum value method with a weighted-average expected option life of five years from the date of grant, assuming a risk-free interest rate of 3.7% (3.4% in 2003) and no dividends during the option term. The minimum value method, which is allowed under SFAS 123 for privately-held companies, assumes zero volatility in the Company's stock price.

Stock option activity under the Plan is as follows:

	<u>Options Outstanding</u>		
	<u>Options Available</u>	<u>Number of Shares</u>	<u>Weighted-Average Exercise Price</u>
Balances, December 31, 2002	2,524,677	1,910,891	\$ 0.06
Granted	<u>(10,000)</u>	<u>10,000</u>	<u>0.06</u>
Balances, December 31, 2003	2,514,677	1,920,891	0.06
Granted	(10,000)	10,000	0.08
Exercised	-	(135,275)	0.04
Cancelled	<u>2,000</u>	<u>(2,000)</u>	<u>0.08</u>
Balances, December 31, 2004	<u>2,506,677</u>	<u>1,793,616</u>	<u>\$ 0.07</u>

In December 2001, the Company offered a voluntary stock option cancellation and re-grant program to its employees, consultants, and directors. The plan allowed eligible stock option holders to cancel a portion or all of their unexercised stock options effective December 11, 2001, if they so choose, provided that should an employee participate, any option granted to that employee within the six months preceding December 11, 2001, is automatically cancelled. On December 11, 2001, there were 1,582,559 shares with a weighted-average exercise price of \$0.77 per share that were cancelled pursuant to this program.

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Accom, Inc.
Notes to Consolidated Financial Statements

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5. Stock Option Plan (continued)

On June 12, 2002, each participating option holder was granted new options equivalent to the number cancelled. The exercise price of the new options was the fair value of the Company's common stock as determined by the Board of Directors at the close of business on June 12, 2002.

The vesting period remained consistent with the original option grants. During the year ended December 31, 2002, the Company granted 1,582,559 shares pursuant to this program.

The following table summarizes information about stock options outstanding at December 31, 2004:

Range of Exercise Prices	Number Outstanding	Remaining Contractual Life	Average Exercise Price	Number Exercisable	Average Exercise Price
\$ 0.02 – 0.08	1,725,284	7.54	0.04	1,556,502	0.04
0.23 – 0.34	40,000	6.19	0.33	38,541	0.33
1.03 – 5.88	28,332	3.17	1.46	28,332	1.46
<u>\$ 0.02 – 5.88</u>	<u>1,793,616</u>	<u>7.44</u>	<u>\$ 0.07</u>	<u>1,623,375</u>	<u>\$ 0.07</u>

For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting periods. For the years presented, the exercise price of all options granted was equal to the fair value of the common stock on the date of grant.

Had compensation costs for the Company's stock option plan been determined using the fair value at the grant dates for awards under that plan, consistent with the method of SEAS 123, the Company's historical net loss would have been changed to the pro-forma amounts in the following, for the years ended December 31:

	2004	2003
Reported net loss	\$ (991,000)	\$ (408,000)
Stock based employee compensation expense determined under the fair value based method for all awards, net of related tax effects	<u>(71,000)</u>	<u>(68,000)</u>
	<u>\$ (1,062,000)</u>	<u>\$ (476,000)</u>

As of December 31, 2004, shares of common stock reserved for future issuance were as follows:

Stock option plan	4,300,293
Warrants	<u>1,000,000</u>
	<u>5,300,293</u>

See Independent Auditors' Report

Accom, Inc.
Notes to Consolidated Financial Statements

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6. Income Taxes

Deferred income taxes result from the tax effect of transactions that are recognized in different periods for financial statement and income tax reporting purposes. The Company's net deferred income tax assets at December 31, 2004 were approximately \$13,169,000 (\$13,047,000 in 2003) and have been fully offset by a valuation allowance, as their realization is not reasonably assured. The valuation allowance increased by approximately \$122,000 for the year ended December 31, 2004 (\$201,000 in 2003). These deferred income tax assets consist primarily of net operating losses and income tax credits which may be carried forward to offset future income tax liabilities and inventory reserves which are not currently deductible for income tax purposes. As of December 31, 2004, the Company has federal and state net operating loss carryforwards of approximately \$20,050,000 and \$4,662,000, respectively, which expire on various dates through 2023. As of December 31, 2004, the Company has federal and state research and development tax credit carryforwards of approximately \$932,000 and \$933,000, respectively, available to reduce future income tax liabilities. The federal carryforwards expire on various dates through 2023. The state credits carryforward indefinitely.

Under the 1986 Tax Reform Act provisions, the availability of the Company's net operating loss and tax credit carryforwards are subject to limitation if it should be determined there has been a change in the ownership of more than 50% of the value of the Company's capital stock. Such a determination could substantially limit the eventual utilization of these tax carryforwards.

7. Commitments and Contingencies

Leases:

The Company leases its facilities under non-cancelable operating lease agreements, which expire through December 2007. Rent expense for the Company's facilities was \$410,000 for the year ended December 31, 2004 (\$421,000 in 2003). However, rent expense as reflected in Operating Expenses in the accompanying Consolidated Statements of Operations and Comprehensive Loss also includes \$372,000 of amortization related to settlement of a lease claim as discussed below.

During 2003, the Company settled a claim with its landlord related to the renegotiation of the terms of its office lease in the amount of \$1,117,000. This settlement has been included in Other Assets and Other Liabilities (Note 3) in the accompanying Consolidated Balance Sheets. The amount included in Other Assets is being amortized to rent expense over the three-year term of the lease. The amount included in Other Liabilities is being reduced as the obligation is paid in accordance with the payment terms discussed in Note 1. At December 31, 2004 \$372,000 remains in Other Assets and \$1,045,000 remains in Other Liabilities related to this claim settlement.

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Accom, Inc.
Notes to Consolidated Financial Statements

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7. Commitments and Contingencies (continued)

Future minimum lease payments due under the lease are as follows:

2005	\$ 396,000
2006	41,000
2007	<u>28,000</u>
	<u>\$ 465,000</u>

The Company did not have any non-cancelable purchase commitments for inventories in excess of estimated requirements at December 31, 2004 and 2003.

Employee Benefit Plan:

The Company has a 401(k) retirement plan to provide defined contribution retirement benefits for all eligible employees. Participants may contribute a portion of their compensation to the plan, subject to limitations under the Internal Revenue Code. The Company may make discretionary matching contributions to the plan. The Company made no employer contribution to the plan in 2004 and 2003.

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Accom, Inc
Income Statement - Trended
For the Period Ending: July 31, 2005
US\$ (000)

	Actual JAN	Actual FEB	Actual MAR	Actual 1st QTR	Actual APR	Actual MAY	Actual JUN	Actual 2nd QTR	Actual JUL	Actual AUG	Actual SEP	Actual 3rd QTR	Actual OCT	Actual NOV	Actual DEC	Actual 4th QTR	Actual YTD ACTUAL
<u>Revenue:</u>																	
1 Broadcast	65	319	114	499	84	188	317	589	7	0	0	7	0	0	0	0	1,095
2 OEM	45	139	446	631	226	1	46	272	1	0	0	1	0	0	0	0	904
3 Disc Products	98	135	278	511	60	73	20	154	99	0	0	73	0	0	0	0	764
4 Service	119	100	95	313	97	110	90	297	75	0	0	75	0	0	0	0	685
5 TOTAL REVENUES	326	693	934	1,954	468	372	472	1,312	182	0	0	182	0	0	0	0	3,447
<u>Equipment Costs:</u>																	
6 Broadcast	9	64	22	95	21	42	60	124	0	0	0	0	0	0	0	0	218
7 OEM	27	49	163	239	82	0	13	95	0	0	0	0	0	0	0	0	334
8 Disc Products	26	50	82	159	19	15	7	41	28	0	0	28	0	0	0	0	229
9 Service Cost of Equipment	7	11	13	31	3	12	10	25	4	0	0	4	0	0	0	0	60
10 Total Equipment Cost	69	174	280	523	125	69	90	285	32	0	0	32	0	0	0	0	841
<u>Product Contribution:</u>																	
11 Broadcast	56	256	92	404	63	146	256	465	7	0	0	7	0	0	0	0	876
12 OEM	18	90	284	392	144	1	33	178	1	0	0	1	0	0	0	0	570
13 Disc Products	71	84	196	352	41	58	13	112	71	0	0	71	0	0	0	0	535
14 Total Product Contribution	146	430	571	1,147	248	205	302	755	79	0	0	79	0	0	0	0	1,981
15 %	70.2%	72.5%	68.1%	70.0%	67.0%	78.3%	79.0%	74.4%	73.6%	#DIV/0!	#DIV/0!	73.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	71.7%
16 Manufacturing Expense	100	94	103	297	102	97	90	290	48	0	0	48	0	0	0	0	634
17 Other Manufacturing Expense	24	8	7	39	12	17	18	48	22	0	0	22	0	0	0	0	108
18 Other Service Expense	18	18	18	54	18	18	18	54	18	0	0	18	0	0	0	0	126
19 Total Cost of Revenues	211	294	408	913	258	202	216	676	120	0	0	120	0	0	0	0	1,709
20 GROSS PROFIT	115	399	526	1,041	210	170	256	636	62	0	0	62	0	0	0	0	1,739
21 %	35.3%	57.6%	56.3%	53.3%	44.9%	45.8%	54.2%	48.5%	34.0%	#DIV/0!	#DIV/0!	34.0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	50.4%
<u>Operating Expense:</u>																	
22 Selling	99	69	91	258	84	73	69	226	4	0	0	4	0	0	0	0	488
23 Marketing	87	90	87	263	101	91	117	309	15	0	0	15	0	0	0	0	587
24 Service Expense	57	55	59	171	62	59	52	173	32	0	0	32	0	0	0	0	376
25 General & Administrative	94	89	78	262	90	89	99	278	73	0	0	73	0	0	0	0	613
26 R & D	248	240	321	809	251	212	151	614	44	0	0	44	0	0	0	0	1,467
27 Total Departmental Expense	585	544	636	1,764	588	525	486	1,600	168	0	0	168	0	0	0	0	3,532
28 Amortization of Rent	31	31	31	93	31	31	31	93	31	0	0	31	0	0	0	0	217
29 Total Operating Expenses	616	575	667	1,857	619	556	517	1,693	199	0	0	199	0	0	0	0	3,749
30 OPERATING INCOME	(500)	(175)	(141)	(816)	(410)	(386)	(262)	(1,057)	(137)	0	0	(137)	0	0	0	0	(2,011)
31 %	-153.3%	-25.3%	-15.0%	-41.8%	-87.6%	-103.7%	-55.4%	-80.6%	-75.6%	#DIV/0!	#DIV/0!	-75.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-58.3%
32 EBITDA	(429)	(105)	(70)	(604)	(339)	(327)	(203)	(869)	(67)	0	0	(67)	0	0	0	0	(1,540)
33 YTD EBITDA	(429)	(533)	(604)	(604)	(943)	(1,270)	(1,473)	(1,473)	(1,540)	0	0	(1,540)	0	0	0	0	(1,540)
34 Other Income (Expense)	(0)	(0)	0	(0)	0	(0)	(1)	(1)	0	0	0	0	0	0	0	0	(1)
35 Interest Expense, Net	(11)	(10)	(10)	(31)	(11)	2	1	(8)	0	0	0	0	0	0	0	0	(39)
36 Income Before Taxes	(511)	(185)	(151)	(848)	(420)	(384)	(262)	(1,066)	(137)	0	0	(137)	0	0	0	0	(2,051)
37 %	(156.6%)	(26.7%)	(16.2%)	(43.4%)	(89.8%)	(103.3%)	(55.5%)	(81.3%)	(75.6%)	#DIV/0!	#DIV/0!	(75.6%)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(59.5%)
38 Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39 NET INCOME	(511)	(185)	(151)	(848)	(420)	(384)	(262)	(1,066)	(137)	0	0	(137)	0	0	0	0	(2,051)
40 Depreciation	29	28	28	84	28	28	28	83	28	0	0	28	0	0	0	0	195

Accom, Inc
Balance Sheet - Trended
For the Period Ending: July 31, 2005
US\$ (000)

	<u>Dec-04</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<u>ASSETS</u>													
1 Cash	\$ 603	\$ 1,146	\$ 796	\$ 580	\$ 816	\$ 643	\$ 43	\$ 282	\$ -	\$ -	\$ -	\$ -	\$ -
2 Restricted Cash	72	65	76	65	45	7	15	15	-	-	-	-	-
3 Accounts Receivable - Trade	1,559	604	879	1,171	505	391	533	276	0	0	0	0	0
4 Reserve for Bad Debts	(85)	(85)	(85)	(75)	(70)	(70)	(52)	(36)	0	0	0	0	0
5 Accounts Receivable Trade - Net	\$ 1,474	\$ 519	\$ 793	\$ 1,096	\$ 435	\$ 321	\$ 481	\$ 240	\$ -	\$ -	\$ -	\$ -	\$ -
6 Inventory - Gross	2,325	2,115	2,100	1,698	1,593	1,533	1,515	1,462	0	0	0	0	0
7 Inventory Reserves	(1,085)	(1,143)	(1,129)	(888)	(830)	(837)	(794)	(849)	0	0	0	0	0
8 Inventory - Net	\$ 1,240	\$ 972	\$ 971	\$ 810	\$ 763	\$ 695	\$ 721	\$ 613	\$ -	\$ -	\$ -	\$ -	\$ -
9 Intercompany Receivable - Accom Companies	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Other Current Assets	485	445	409	398	328	324	194	242	0	0	0	0	0
11 TOTAL CURRENT ASSETS	\$ 3,873	\$ 3,148	\$ 3,045	\$ 2,948	\$ 2,386	\$ 1,989	\$ 1,455	\$ 1,392	\$ -	\$ -	\$ -	\$ -	\$ -
12 Fixed Assets (Net of Depreciation)	722	910	811	848	878	855	865	835	0	0	0	0	0
13 Intangible Assets (Net of Amortization)	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Other Long Term Assets	430	399	368	337	305	274	233	202	0	0	0	0	0
15 TOTAL LONG TERM ASSETS	\$ 1,151	\$ 1,309	\$ 1,179	\$ 1,185	\$ 1,184	\$ 1,129	\$ 1,098	\$ 1,038	\$ -	\$ -	\$ -	\$ -	\$ -
16 TOTAL ASSETS	<u>\$ 5,024</u>	<u>\$ 4,456</u>	<u>\$ 4,224</u>	<u>\$ 4,133</u>	<u>\$ 3,570</u>	<u>\$ 3,118</u>	<u>\$ 2,553</u>	<u>\$ 2,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES</u>													
17 Accounts Payable - Trade	60	49	32	60	102	88	-	-	-	-	-	-	-
18 Intercompany Payable - Accom Companies	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Payroll and Benefits	182	165	167	179	184	193	3	8	-	-	-	-	-
20 Other Current Liabilities	573	537	494	499	447	423	359	369	-	-	-	-	-
21 TOTAL CURRENT LIABILITIES	\$ 815	\$ 751	\$ 693	\$ 738	\$ 733	\$ 704	\$ 363	\$ 376	\$ -	\$ -	\$ -	\$ -	\$ -
22 Long-Term Liabilities	7,075	7,087	7,099	7,110	7,012	7,012	7,012	7,012	-	-	-	-	-
23 TOTAL LIABILITIES	<u>\$ 7,890</u>	<u>\$ 7,838</u>	<u>\$ 7,792</u>	<u>\$ 7,848</u>	<u>\$ 7,745</u>	<u>\$ 7,716</u>	<u>\$ 7,375</u>	<u>\$ 7,388</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>EQUITY</u>													
24 Common Stock	\$ 23,213	\$ 23,213	\$ 23,213	\$ 23,213	\$ 23,213	\$ 23,213	\$ 23,213	\$ 23,213	\$ -	\$ -	\$ -	\$ -	\$ -
25 Paid-in Capital	555	555	555	555	555	555	555	555	0	0	0	0	0
26 Cost of Treasury Stock	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	0	0	0	0	0
27 Notes Receivable - Shareholders	0	0	0	0	0	0	0	0	0	0	0	0	0
28 TOTAL COMMON STOCK	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ -	\$ -	\$ -	\$ -	\$ -
29 TOTAL RETAINED EARNINGS	\$ (26,638)	\$ (27,154)	\$ (27,340)	\$ (27,467)	\$ (27,887)	\$ (28,272)	\$ (28,554)	\$ (28,689)	\$ -	\$ -	\$ -	\$ -	\$ -
30 Translation Adjustment	9	9	9	(11)	(51)	(89)	(30)	(33)	0	0	0	0	0
31 TOTAL EQUITY	<u>\$ (2,866)</u>	<u>\$ (3,382)</u>	<u>\$ (3,568)</u>	<u>\$ (3,716)</u>	<u>\$ (4,175)</u>	<u>\$ (4,598)</u>	<u>\$ (4,821)</u>	<u>\$ (4,959)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
32 TOTAL LIABILITIES & EQUITY	<u>\$ 5,024</u>	<u>\$ 4,456</u>	<u>\$ 4,224</u>	<u>\$ 4,133</u>	<u>\$ 3,570</u>	<u>\$ 3,118</u>	<u>\$ 2,553</u>	<u>\$ 2,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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EXHIBIT B

Accom Inc.
Cash Forecast
[Dollars in Thousands]

	Interim Period		
	Aug 19th - 31th	Sept 1st - 15th	Sept 16th - 30th
	<u>Cash Forecast</u>	<u>Cash Forecast</u>	<u>Cash Forecast</u>
Beginning Cash	233	315	382
Cash Collections	210	198	41
Uses of Cash			
Wages/Compensation	34	34	34
Employer Paid Taxes	2	2	2
Health Insurance	0	5	0
Commissions - Sales Rep/Distr	4	4	4
Consultants	5	6	5
Travel Expense	3	5	3
Freight	4	4	4
Communication/Telephone	1	4	3
Rent/CAM	0	42	0
Other Facilities Expense	6	6	3
Project/Compliance Testing	0	0	0
Demo/Advertising/Trade Show	0	0	0
Tax Preparation & Accounting	0	0	0
Legal	0	0	0
Insurance	0	0	0
Other	7	9	9
Sales Taxes	4	10	10
MIS Software	0	0	0
Engr Projects	0	0	0
Inventory/Eng Project Matl/Exp Matl	60	4	4
Total Uses of Cash	\$ 130	\$ 134	\$ 81
Ending Cash Balance	\$ 313	\$ 379	\$ 342

EXHIBIT C

EARL H. AIKEN
3033 WHISPERWAVE CIRCLE
REDWOOD CITY, CA 94065

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(650) 594-0332 FAX
eha9@attbi.com

Selected Crisis Management Clients

CFO of Novalux, Inc., an institutional venture capital backed semiconductor laser manufacturer. I helped develop operating strategy and managed finance during a Chapter 11 proceeding that lead to a successful restart of this company.

CFO of Unisil, Inc., an \$80 million silicon wafer manufacturer. I was a member of a turnaround team, which successfully reorganized this company using a pre-packaged Chapter 11 and raised \$25 million in new capital investment. I rebuilt the finance department, tightened credit and internal control procedures, managed a new banking relationship, helped negotiate and close the sale of a division, managed the initial audit of the new corporation and managed MIS.

CFO of PixelCraft, Inc., a startup company financed by **Xerox Technology Ventures**. I supervised finance, HR, purchasing and MIS, and participated in successful negotiations leading to the sale of the main business line.

CFO of Peripheral Land, Inc (PLI) a \$40 million manufacturer of MacIntosh compatible mass storage devices. PLI defaulted on its secured debt and trade credit. I helped downsize the company, reduce headcount, auction excess inventory and negotiate the sale of the remaining business lines. PLI operated under an assignment for the benefit of creditors.

Acting CFO of Charles Ford Company, \$35 million department store chain operating in Chapter 11. I was a member of a turnaround management team that unsuccessfully attempted to raise new capital, then conducted an orderly liquidation of this firm.

Consultant to VM Labs, Inc., a fabless semiconductor startup. I monitored cash flow and reported results to a venture investor. I also advised management and the investor about cash management and insolvency strategy.

Consultant to Intellectron, Inc., a \$50 million lighting products distributor. I helped manage the liquidation and sale of assets at auction in Chapter 11.

Consultant to Capella, Inc., a network equipment reseller. After the company defaulted on its bank line, I developed a cash forecast for the company and its bank.

Consultant to Venturini & Berry, Inc., a food distributor. I monitored the company's cash management after the company defaulted on its bank loans.

Consultant to Borchers Supply, a local hardware store chain. As the finance member of a team, I helped manage an orderly liquidation this company for the benefit of its secured lender.

Consultant to Advance Group, a \$40 million electrical equipment distributor operating in Chapter 11. I managed all forecasting and reporting during a contentious bankruptcy.

Selected Additional Clients

Acting CFO of NuGen Technologies, Inc., a venture funded bio-technology startup. I led the preparation of a financial plan for venture Round B, established accounting procedures and controls, and managed NuGen's first audit.

Acting CFO of MizBiz.com, an angel funded internet Startup. I developed a forecasting plan and assisted in dealing with creditors.

Acting CFO of GreatLodge, an angel funded internet startup. I Advised and assisted management during financial the planning process.

Acting CFO of Adicom Wireless, Inc., a venture backed wireless telecommunications company. I managed the 1999 audit and assisted in preparing a \$25 million private placement memorandum. I also improved financial controls and procedures, and dealt with a major creditor lawsuit.

Consultant to Informix Corporation, a \$700 million database software company. I managed investor relations while a new management reported a large loss and a new strategic direction.

Consultant to C-Cube Microsystems, Inc., a \$350 million fabless semiconductor company. I managed investor relations after a sharp decline in the company's stock price..

Employment

1981 - 1982: President of Durango Systems Credit Corporation, the sales finance subsidiary of a venture backed desktop computer manufacturer.

1975 - 1981: Management, sales and credit positions with the finance and leasing subsidiaries of **Crocker National Bank, Transamerica Corporation and Southern Pacific Company.**

Education

MBA from Santa Clara University

MA in political science from Emory University

BA in history from Louisiana Tech